

**MASSACHUSETTS**

Public Employee Retirement Administration Commission

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MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: Clarification of COLA Notice

DATE: March 16, 2000

It has come to my attention that there has been some confusion regarding the fiscal year referenced in the previously issued COLA Notice (PERAC Memo #17/2000). I apologize for any such confusion.

The COLA that any system may grant pursuant to Chapter 32, Section 103(c) for Fiscal Year 2001 will be 2.4% on the first \$12,000 of a retirement allowance. This COLA must be approved prior to the end of the current Fiscal Year on June 30, 2000.

Retirement boards, which have properly accepted Section 51 of Chapter 127 of the Acts of 1999, may elect to increase this percentage up to 3%. Boards are reminded that they, each year, must give the appropriate legislative body written notice thirty days before holding a public meeting called to decide whether or not to elect to grant an increased COLA.

Each retirement board making a decision whether or not to grant a COLA must notify the Commission of that decision within 30 days. Retirement boards that grant an increased COLA above 2.4% must also notify the Commission of that election.

I trust the foregoing is of assistance. If you have further questions or concerns, please contact this office.